

Job Order Contracting an option under Alternative Procurement in Washington

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Definition of JOC

- "Existing Washington State RCW 39.10.420 to RCW 39.10.460

Job order contract" means a contract in which the contractor agrees to a fixed period, indefinite quantity delivery order contract which provides for the use of negotiated, definitive work orders for public works

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General reasons to choose JOC

- Multiple projects that are more than \$50,000 and less than \$350,000
- Total dollar volume of work is less than \$4,000,000 per year
- Limited staff availability for proper implementation of other methods
- Urgency for project completion

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Unique aspects of JOC

- The owner can stop the JOC contract at any time
- Procurement of JOC Contractor = the best competitive coefficient (*no hidden costs*)
- Partnership with JOC Contractor leads to trust and a familiarization with owner's unique needs
- Constant value engineering provides best value practices
- JOC eliminates change order philosophy
- Unit Price Book = best *average* cost

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What is JOC's construction niche?

- Fast response for small (\$350,000 or less), repair, renovation, remodel and alteration projects
- Services provided on an on-call basis
- Lump-sum fixed price for **each** work order
- Owner **negotiates (consensus)** the scope of work
- Cost coefficient is established up-front

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Typical Projects

- Infrastructure up-grade projects (*usually multi-discipline*)
 - Bathroom renovation
 - ADA Compliance renovation projects
 - Communication/security systems installations
 - Classroom renovations
 - Parks and playfields renovation projects

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Some Benefits of JOC for Owners

- Reduced lead time – no need to plan or prepare bid documents and drawings for each work order
- Eliminated bid time
- Expedited engineering, since JOC projects usually require no architectural or engineering services for construction of projects
- Joint scoping and re-scoping as needed

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JOC Contractor's Coefficient

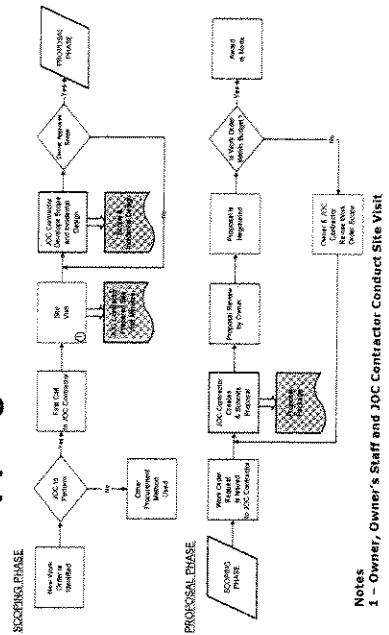
- The coefficient provides a factor or multiplier that applies to all items in the Unit Price Book
- Coefficient includes:
 - Quality Control and Safety
 - Superintendent & Field Engineer
 - Risk Identification & Incidental Sketches
 - Corporate Fees of Administration and Margin
 - Project Management
 - * Sub-contractor procurement, Value engineering, Procurement-materials & supplies, General conditions, Project closeout, As-built drawings & operations manual
 - Bond Costs
 - Sub-contractors do NOT use Unit Price Book

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Increased Opportunities for Small and Disadvantaged Businesses

- JOC furnishes bonding for most subcontractors
 - JOC completes “red tape” requirements
 - JOC uses best value bid analysis for subcontractors & partners with subcontractors
 - JOC recruits small and disadvantaged businesses
 - JOC coaches subcontractors in all aspects of quality work, safety and project management (as needed)
 - JOC pays subcontractors promptly, typically subcontractor payment is not tied to JOC contractor's payment from the owner, and no retainage is held.
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Mapping the JOC Process



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Site visit with Owner

- Owner and JOC Contractor walk site
 - Visit job site with Owner's representative and Users, where possible
 - Determine project information scope (i.e. desired materials, special needs, etc.)
 - Take measurements of field conditions
 - Take photos for documentation and communication purposes
 - Determine cost and schedule parameters
 - Issue comprehensive Site Visit Minutes

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Develop Scope of Work

- Scope of Work Development
 - Discuss scope with Owner and Facility Manager
 - Questions to clarify scope of work answered
 - Produce detailed scope of work
 - Produce any sketches required
 - Review and revise the estimate with Owner for final scope

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Scope of Work Example

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- Demo / dispose of 3 existing lights. Reuse existing circuit for new lights.
 - Remove & replace 2 existing HVAC grilles
 - Install gyp ceiling at 8' 8" with 4 new surface mounted explosion proof lights. Relocate existing smoke detector to new ceiling.
 - Demo CMU for 42" opening min. (exist opening 4'-36")
 - Demo & dispose of existing metal partitions and replace with new 4' CMU covered completely w/ ceramic tile, with one block scupper at bottom of each urinal and 2 commodes
 - Demo ceramic tile, floors and walls, typ and walls, typ (exist ceramic on walls is approx. 8' 0" high)
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Construction

- Prepare all subcontract documents
- Mobilize and manage all subcontractors
- Provide on site supervision of ongoing work
- Provide jobsite safety supervision
- Provide quality control and assurance for the work
- Provide regular progress reports (as needed)
- Conduct pre-final and final inspections

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Project Closeout

- Final punch list (*if necessary*)
- Acceptance of work
- As-built documentation
- Operation and maintenance manuals, equipment lists, and training where applicable

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Proposal Phase

- Work Order Request
- Proposal Package
 - Cover Letter
 - Work Order Form
 - Comprehensive Line Item Estimate
 - Preliminary Schedule
 - Final Scope of Work
- Scope Negotiations – reach consensus
- Final Work Order Form is signed by Facility Manager

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Construction	Project Closeout
<ul style="list-style-type: none"> • Prepare all subcontract documents • Mobilize and manage all subcontractors • Provide on site supervision of ongoing work • Provide jobsite safety supervision • Provide quality control and assurance for the work • Provide regular progress reports (as needed) • Conduct pre-final and final inspections 	<ul style="list-style-type: none"> • Final punch list (<i>if necessary</i>) • Acceptance of work • As-built documentation • Operation and maintenance manuals, equipment lists, and training where applicable

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